(d) and (e) No, Sir. There is no such proposal at present, since MTNL is already offering a variety of plans to cater to different segments.

Special audit checks

768. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that Government is conducting special audit checks on the accounts of telecom operators;

(b) if so, the details of the terms of reference given to the special auditors; and

(c) whether DoT has made any check list for the special auditors which would enable them to carry out the audit in line with the requirements?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT): (a) Yes, Sir. Government is conducting special audit of accounts of major telecom operators.

(b) The terms of reference have been framed to ensure that there is no possibility of any kind of leakage of Government revenue. The auditors have been asked to ensure that the accounts prepared by the operators are in accordance with the Norms for Preparation of Accounts as annexed to the licence agreement and are in consonance with the various terms and conditions provided therein. It has to be ensured that the operators observe the principles laid down in Accounting Standard 9 for revenue recognition. Various other issues including sale of handsets, transfer pricing, cross booking of revenue between the subsidiaries, sharing of infrastructure, tower business, commissions paid to the franchisees, possible benefits from arbitrage, the deductions claimed by the operators and netting of expenditure if any, shall be examined by the auditors. The auditors shall verify that various TRAI directives as given from time to time, are observed by the operators. The auditors have been given discretion to examine relevant areas suo moto in order to ensure that the Government's share of revenue has been calculated correctly and have been directed to point out shortfalls therein, if any.

(c) Yes, Sir. The auditors are required to carry out the audit as per Terms of Reference (Check list).

Public sector telecom majors

769. SHRI B. K. HARIPRASAD: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that the public sector telecom majors BSNL and MTNL together have cash in hand of over Rs. 42,000 crores;

(b) if so, whether both the enterprises are seriously considering to be part of a consortium to bid for a minority stake in a Kuwaiti telecom company;

(c) whether the proposal has been subjected to the process of due diligence as is required for massive investment in an overseas telecom company; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT): (a) Sir, as per the provisional and unaudited accounts, cash and bank balance of BSNL is Rs. 36,392.42 crores and MTNL is Rs. 5078.59 crores totaling to Rs. 41,471.01 crores as on 30.9.2009.

(b) to (d) No, Sir. The proposal is in preliminary stage only and has not reached the stage for initiating the process of due diligence.

Indian telephone industry

770. SHRI B. K. HARIPRASAD: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Bharat Sanchar Nigam Ltd. has decided to award the work for building a 25 million wireless lines to Indian Telephone Industries (ITI);

(b) whether presently the ITI has capacity to produce only about 10 million lines; and

(c) if so, whether Government would step in to help ITI to enhance its production capacity under a technical tie-up with overseas telecom hardware companies?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT): (a) No, Sir.

(b) ITI has the installed capacity to produce 12 million lines in a year instead of 10 million lines.

(c) No, Sir. Government is not considering any such proposal.

Telecom services

771. SHRI ISHWAR SINGH: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the mobile services rendered by BSNL/MTNL to its subscribers are not satisfactory in comparison to private telecom players;

(b) if so, the facts and reasons therefor;

(c) whether Government has chalked out plans to improve the mobile services of BSNL/MTNL; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT): (a) and (b) Sir, as per the performance monitoring reports of Telecom Regulatory Authority of India (TRAI) for the quarter ended June 2009, the Quality of Service of the mobile services provided by BSNL and MTNL is comparable to the quality of service provided by the private cellular mobile companies.